

495—4.8(97B) Additional employer contributions from employer-mandated reduction in hours. This rule applies only to the restoration of covered wages caused by an employer-mandated reduction in hours (EMRH). It does not apply to reductions in base wages or to permanent layoffs or other termination of employment situations.

4.8(1) A member may restore the member's three-year average covered wage to the amount that it would have been but for an EMRH by completing the IPERS application for additional employer contributions and payroll deductions authorization.

4.8(2) A member cannot pay the additional employer contributions described under this rule in any manner except through payroll deductions.

4.8(3) The payroll deductions authorization described under this rule shall be irrevocable, except upon death, retirement or termination of employment. If revoked by the member's death, retirement, or termination of employment, all amounts held by an employer in the member's name shall be forwarded to the member along with the member's final wages.

4.8(4) A member may obtain a refund of amounts contributed under this rule as part of a refund of the member's entire account balance, but a member who chooses a retirement allowance shall not receive a refund of any amounts contributed, even if the covered wages being restored are not used in the member's three-year average covered wage.

4.8(5) A member may have the payroll deductions authorized in this rule made in more than one installment, but if the amount to be contributed to IPERS is less than \$100, the full amount must be deducted from one payroll payment, if the member has at least \$100 of wages available after other deductions required by law.

4.8(6) A covered employer must cooperate with an eligible employee's request for payroll deductions using the applicable IPERS forms. Employers collecting the additional retirement contributions authorized in this rule shall be required to complete a certificate showing the covered wages actually paid to the member in the affected quarters and the covered wages that would have been reported but for the EMRH.

4.8(7) Employers shall collect and hold amounts to be contributed pursuant to this rule until the full amount can be forwarded to IPERS in one installment.

4.8(8) In completing the federal wage reporting forms to be filed with the federal and state tax authorities, an employer shall treat amounts collected and forwarded the same as pretax IPERS employee contributions.

4.8(9) Upon receipt, IPERS shall credit the amounts collected and forwarded in this rule to the member's account as pretax employee contributions. Adjustments to the employee's wage records shall be made as indicated in the employer's certification of covered wages that would have been reported but for the EMRH.

4.8(10) The collection of contributions under this program shall terminate as of midnight, December 31, 2003. Amounts collected must be forwarded by a covered employer no later than the March 31, 2004, contribution filing deadline.